



UNITED STATES GOVERNMENT PRINTING OFFICE
OFFICE OF INSPECTOR GENERAL

memorandum

DATE: January 16, 2003

REPLY TO
ATTN OF: Inspector General

SUBJECT: Audit of the Public Printer's Representation and Reception Fund for
FY 2002

TO: Public Printer

The Office of Inspector General (OIG), Office of Audits (OA) has completed an audit of the Public Printer's Representation and Reception (R&R) Fund for Fiscal Year (FY) 2002. This audit determined that expenditures by the former Public Printer during FY 2002 were made in accordance with Public Law 107-68, and GPO policies, procedures and regulations.

Background Information on R&R Fund

Representation and Reception (R&R) Funds such as GPO's were first established by Congress in the early 1960s to permit U. S. Foreign Service officers to reciprocate courtesies that were extended by foreign officials. Since that time, additional R&R Funds have been established throughout the Government. R&R Funds are the most common form of appropriation for "entertainment" expenses. Regulations regarding the Government Printing Office's Revolving Fund specify that the Public Printer may make expenditures of not more than \$2,500 per annum to be expended on the certification of the Public Printer in connection with official representation and reception expenses.

Although these funds are discretionary in nature, their use is subject to complex Federal rules and regulations that have been established over the years. GPO has issued Guidelines for the Use of Official Representation and Reception Fund, dated January 24, 1992 (Attached).

Objectives, Scope and Methodology

The objectives of the audit were: (1) to review the internal controls governing GPO's R&R Fund; (2) to obtain, review, analyze and document background criteria and any additional information regarding the R&R Fund; and (3) to determine if recent expenditures for FY 2002 from the R&R Fund by the Office of the Public Printer were in compliance with applicable laws, policies, procedures, and regulations.

This audit was performed in accordance with generally accepted Government auditing standards (GAGAS), and included such tests as were considered necessary under the circumstances. The scope of the audit included a review of expenditures made from the Representation and Reception Fund for FY 2002.

The audit team performed the following audit procedures:

- Obtained copies of vouchers and invoices for the R&R Fund issued in FY 2002.
- Reviewed and analyzed applicable laws, regulations, procedures, policies, and guidelines governing the R&R Fund.
- Interviewed GPO management representatives from Office of Comptroller, Office of Budget, and Office of General Counsel.

Two vouchers and two supporting invoices were submitted for payment for FY 2002, for \$248.24 and \$81.00 respectively, for receptions at which both GPO employees and persons from outside the Federal Government attended. The former Public Printer followed Guidelines for the Use of Official Representation and Reception Fund, dated January 24, 1992. As of December 3, 2002, former Public Printer Michael DiMario had not made any expenditures from the R&R Fund for FY 2003.

The vouchers/invoices submitted for payment by the former Public Printer were not submitted to the Office of General Counsel for review. This procedure, while recommended, is optional.

In the process of reviewing the internal controls and written policy regarding this fund, the auditors noted that the policy currently in effect contains references to official positions in GPO that are not

current (e.g., Chief Financial Officer). Also, we noted that the current fund balance is \$2,500 and not \$5,000 as stated on pages 1 and 2 of the Guidelines for the Use of Official Representation and Reception Fund. As a result, the OIG recommends that this policy be reviewed and updated where necessary to reflect current GPO official positions.

This audit was conducted by Mr. David B. Schaub, Supervisory Auditor, and Ms. Allyson S. Brown, Auditor-in-Charge. If you have any questions concerning this report, please contact Mr. Andrew Killgore, Assistant Inspector General for Audits on 512-0040.

ROBERT G. ANDARY

Attachment

cc: Office of Comptroller
Office of Budget
Office of General Counsel